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7 8 9	UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON		
10	STANLEY D.,		
11	Plaintiff,	CASE NO. 3:23-CV-5344-DWC	
12	V.	ORDER REVERSING AND REMANDING DEFENDANT'S	
13	COMMISSIONER OF SOCIAL SECURITY,	DECISION TO DENY BENEFITS	
14 15	Defendant.		
116 117 118 119 120 221 222 23	Plaintiff filed this action under 42 U.S.C. § 405(g) seeking judicial review of Defendant's denial of his applications for supplemental security income benefits ("SSI") and disability insurance benefits ("DIB"). After considering the record, the Court concludes the Administrative Law Judge ("ALJ") erred in his evaluation of certain medical opinion evidence.  Had the ALJ properly considered these opinions, Plaintiff's residual functional capacity ("RFC") may have included additional limitations. The ALJ's error is, therefore, not harmless, and this		
23   24	<sup>1</sup> Pursuant to 28 U.S.C. § 636(c), Federal Rule of have consented to have this matter heard by the undersign	f Civil Procedure 73, and Local Rule MJR 13, the parties and Magistrate Judge. <i>See</i> Dkt. 2.	

matter is reversed and remanded pursuant to sentence four of 42 U.S.C. § 405(g) to the Commissioner of Social Security ("Commissioner") for further proceedings consistent with this Order. I. **Factual and Procedural History** Plaintiff filed claims for DIB and SSI on May 9, 2018, alleging disability beginning on January 31, 2015. Dkt. 9, Administrative Record ("AR") 126, 128, 140–41, 260–61, 267–71. His applications were denied at the initial level and on reconsideration. AR 124–25, 154–55, 188, 194, 197. He requested a hearing before an ALJ, which took place on August 22, 2019. AR 68– 123, 200–01. Plaintiff was represented by counsel at the hearing. See AR 68. The ALJ issued an unfavorable decision denying benefits on January 30, 2020, and the Appeals Council denied Plaintiff's request for review. AR 32–37, 49–62. Plaintiff then appealed to this Court, which reversed the Commissioner's decision and remanded for further proceedings. AR 874–85. The Appeals Council consolidated the remanded case with a separate claim for SSI that Plaintiff had filed on January 21, 2021, and ordered a new hearing on the consolidated claims. AR 892. The second hearing took place before the same ALJ on November 17, 2022, and Plaintiff was again represented by counsel. AR 790-826. The ALJ issued another unfavorable decision denying benefits on January 25, 2023. AR 755–89. The ALJ found Plaintiff had the severe impairments of bilateral hearing loss, major depressive disorder, and generalized anxiety disorder. AR 761. He determined Plaintiff had the RFC to perform a full range of work at all exertional levels with certain non-exertional limitations: only occasional exposure to complex oral communications; only occasional exposure to a loud noise environment; only occasional exposure to hazards; the claimant can understand, remember, and apply detailed but not complex instructions; perform predictable tasks; not in a fast paced, production type

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environment; exposure to occasional workplace changes; and only occasional

AR 764.

Plaintiff appealed to this Court. Dkt. 5.

interaction with general public and coworkers.

### II. Standard of Review

When reviewing the Commissioner's final decision under 42 U.S.C. § 405(g), this Court may set aside the denial of social security benefits if the ALJ's findings are based on legal error or are not supported by substantial evidence in the record. *Bayliss v. Barnhart*, 427 F.3d 1211, 1214 n.1 (9th Cir. 2005) (citing *Tidwell v. Apfel*, 161 F.3d 599, 601 (9th Cir. 1999)). Substantial evidence "is a highly deferential standard of review[.]" *Valentine v. Comm'r of Soc. Sec. Admin.*, 574 F.3d 685, 690 (9th Cir. 2009). Evidence is "substantial" when it is "more than a mere scintilla." *Biestek v. Berryhill*, 139 S. Ct. 1148, 1154 (2019). "It means—and means only—such relevant evidence as a reasonable mind might accept as adequate to support a conclusion." *Id.* (cleaned up).

"[T]he ALJ 'is responsible for determining credibility, resolving conflicts in medical testimony, and for resolving ambiguities." Ford v. Saul, 950 F.3d 1141, 1149 (9th Cir. 2020) (quoting Andrews v. Shalala, 53 F.3d 1035, 1039 (9th Cir. 1995)). Accordingly, "[e]ven if the evidence is 'susceptible to more than one rational interpretation, it is the ALJ's conclusion that must be upheld." Farlow v. Kijakazi, 53 F.4th 485, 488 (9th Cir. 2022) (quoting Burch v. Barnhart, 400 F.3d 676, 679 (9th Cir. 2005)). However, ALJs must "set forth the reasoning behind [their] decisions in a way that allows for meaningful review." Brown-Hunter v. Colvin, 806 F.3d 487, 492 (9th Cir. 2015). "A clear statement of the agency's reasoning is necessary because [the Court] can affirm the agency's decision to deny benefits only on the grounds invoked by the agency." Id.

1 "[H]armless error principles apply in the Social Security Act context." Molina v. Astrue, 674 F.3d 1104, 1115 (9th Cir. 2012), superseded on other grounds by 20 C.F.R. § 404.1502(a). Generally, an error is harmless if it is not prejudicial to the claimant and is "inconsequential to the ultimate nondisability determination." Stout v. Comm'r, Soc. Sec. Admin., 454 F.3d 1050, 1055 (9th Cir. 2006); see also Molina, 674 F.3d at 1115.

#### III. Discussion

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Plaintiff contends the ALJ erred in considering certain medical opinion evidence and in assessing Plaintiff's subjective symptom testimony. Dkt. 12 at 1. He argues that the proper remedy for these errors is reversal for an immediate award of benefits. *Id.* at 2.

#### A. Medical Opinion Evidence

Plaintiff contends the ALJ erred when considering the medical opinions of two DSHS psychologists, Dr. Kimberly Wheeler and Dr. Peter Weiss; reviewing physician Dr. Myrna Palasi; and Plaintiff's treating mental health counselor, Jason Mills. *Id.* at 1.

#### 1. Medical Opinion Evidence Standard

The regulations regarding the evaluation of medical opinion evidence have been amended for claims filed on or after March 27, 2017. See Revisions to Rules Regarding the Evaluation of Medical Evidence, 82 Fed. Reg. 5844, 5867–68, 5878–79 (Jan. 18, 2017). Because Plaintiff filed his claim after that date, the new regulations apply. See 20 C.F.R. §§ 404.1520c, 416.920c. Under the revised regulations, ALJs "will not defer or give any specific evidentiary weight, including controlling weight, to any medical opinion(s) or prior administrative medical finding(s)...." Id. §§ 404.1520c(a), 416.920c(a). Instead, ALJs must consider every medical opinion or prior administrative medical finding in the record and evaluate the persuasiveness of each one using specific factors. Id. §§ 404.1520c(a), 416.920c(a).

1	The two most important factors affecting an ALJ's determination of persuasiveness are	
2	the "supportability" and "consistency" of each opinion. <i>Id.</i> §§ 404.1520c(a), 416.920c(a).	
3	"Supportability means the extent to which a medical source supports the medical opinion by	
4	explaining the 'relevant objective medical evidence.'" Woods v. Kijakazi, 32 F.4th 785, 791–	
5	92 (9th Cir. 2022) (quoting 20 C.F.R. § 404.1520c(c)(1)); see also 20 C.F.R. § 416.920c(c)(1).	
6	An opinion is more "supportable," and thus more persuasive, when the source provides more	
7	relevant "objective medical evidence and supporting explanations" for their opinion. 20 C.F.R.	
8	§§ 404.1520c(c)(1), 416.920c(c)(1). "Consistency means the extent to which a medical opinion	
9	is 'consistent with the evidence from other medical sources and nonmedical sources in the	
10	claim." Woods, 32 F.4th 785 at 792 (quoting 20 C.F.R. § 404.1520c(c)(2)); see also 20 C.F.R. §	
11	416.920c(c)(2). ALJs must articulate "how [they] considered the supportability and consistency	
12	factors for a medical source's medical opinions" when making their decision. 20 C.F.R. §§	
13	404.1520c(b)(2), 416.920c(b)(2).	
14	2. Analysis	
15	a. Kimberly Wheeler, Ph.D., and Peter Weiss, Ph.D. <sup>2</sup>	
16	Plaintiff argues the ALJ erred in considering the medical opinion evidence from two	
17	DSHS psychologists, Drs. Kimberly Wheeler and Peter Weiss. Dkt. 12 at 4. Both doctors	
18	evaluated Plaintiff more than once over the alleged period of disability.	
19	Dr. Wheeler first examined Plaintiff on July 21, 2015. AR 458. She opined Plaintiff had	
20	largely mild or moderate limitations on his ability to perform basic work activities, but she found	
21	marked limitations in his ability to ask simple questions or request assistance, communicate and	
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24	<sup>2</sup> The ALJ's decision addresses the persuasiveness of these opinions together, as do the parties in their briefing. <i>See</i> AR 774–75; Dkts. 12, 15, 19. The Court takes the same approach.	

perform effectively in a work setting, and complete a normal workday and work week without interruptions from psychologically based symptoms. AR 460–61.

On May 31, 2016, Dr. Wheeler evaluated Plaintiff for a second time. AR 447. Again, she

noted mostly mild to moderate limitations but found marked limitations in Plaintiff's ability to

communicate and perform effectively in a work setting and set realistic goals and plan

6 independently. AR 449.

Dr. Weiss performed a psychiatric evaluation on May 16, 2018. AR 476. He opined that Plaintiff was severely impaired in his ability to perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances without special supervision and to complete a normal workday and work week without interruptions from psychologically based symptoms. AR 477. He also found marked limitations in Plaintiff's ability to set realistic goals and plan independently, communicate and perform effectively, and maintain appropriate behavior in a work setting. AR 477–78.

Dr. Weiss examined Plaintiff again on May 14, 2020, and noted the same marked and severe limitations to which he had opined two years earlier. AR 1199–1201.

Finally, Dr. Wheeler examined Plaintiff for a third time on April 21, 2022. AR 1268. In this most recent evaluation, she assessed more moderate than mild limitations, as well as marked limitations in Plaintiff's ability to perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances without special supervision; adapt to changes in a routine work setting; ask simple questions or request assistance; communicate and perform effectively in a work setting; and set realistic goals and plan independently. AR 1269–70.

1 | The ALJ found the opinions of Drs. Wheeler and Weiss "not very persuasive." AR 774. He found the opinions were inadequately supported by the doctors' own findings and were inconsistent with the records from Plaintiff's treating providers. *Id.* The ALJ also wrote the opinions were not persuasive because the doctors did not have the opportunity to review the longitudinal record "to form a more comprehensive opinion of functioning." *Id.* A number of the ALJ's findings relate to the supportability of the two doctors' opinions. First, the ALJ wrote that the opined communication limitations were not supported because "[n]either doctor reported an inability to communicate with the claimant[.]" *Id.* Substantial evidence does not entirely support this finding. It is true that Dr. Weiss' evaluations do not describe communication issues, noting in both 2018 and 2020 that Plaintiff's speech was normal and his attitude and behavior were cooperative. AR 478–79, 1202. However, Dr. Wheeler's evaluations contain extensive notes documenting Plaintiff's communication limitations. In July 2015, Dr. Wheeler observed "[s]ome word retrieval issue[s]" and noted Plaintiff's hesitant report that he believed he was fired from one of his past jobs for "communication issues." AR 458. Dr. Wheeler listed social awkwardness as a symptom affecting Plaintiff's ability to work, noting his reports that he had been fired repeatedly for unclear reasons that seemed related more to his ability to fit in than to performance issues. AR 459. She described Plaintiff's behavior as they discussed this issue: Zero eye contact as he's explaining this, gets lost in his pondering. . . . In his demonstration of conversation, is halting, hesitant, clearly conveying his discomfort in conveying information they didn't want to hear. . . . Speech is peppered with gaps, as he searches for how to say the right thing. . . . Very hard for him to express, consistent with the issue. Id. In the mental status exam from this evaluation, Dr. Wheeler documented abnormalities in Plaintiff's speech, writing that he was "[s]low to express himself, with emotional loading

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wrapped up in his words" and opining that this "[w]ould strain work relationships." AR 461. She also noted that his thought process was "broken with pauses" and "sometimes hard to follow, 2 3 requiring coworkers' patience." AR 462. 4 In May 2016, Dr. Wheeler again noted Plaintiff's general isolation and social 5 awkwardness, but she opined that Plaintiff's speech was "[m]uch more fluid this visit, within the 6 range of what would be needed for work." AR 448–50. Finally, in her most recent assessment, Dr. Wheeler opined that, separate from his 7 hearing problems, Plaintiff's communications skills were poor: "Slow to respond, doesn't know 8 what to say, speaks in vague, nonspecific manner. Lots of empty placeholder speech. Comes across as less than engaged in conversation. Attention is poor. Makes little effort to be heard, to 10 11 make his point." AR 1269. She also wrote Plaintiff displayed "a lack of effort to engage with 12 others, no clear desire to be understood or communicate his point." AR 1270. She opined that this was "most likely learned behavior, after years of not being able to socially connect with 13 14 others. When he speaks, it's as if he gives up repeatedly in each sentence, sometimes dropping 15 off, not finishing what he was saying." AR 1270–71. Dr. Wheeler also noted these speech and 16 behavioral patterns in the mental status exam from this evaluation: 17 Latent responding. Slow to articulate his sentences. His communication issues are not limited to his hearing. He pauses. \*sigh\* In the. Middle of each. \*sigh\* Sentence. For lengthy. \*sigh\* Pauses. When asked directly, he said that this is 18 stressful. . . . Huge sigh each time before he speaks. Gives up, struggles to put effort into making himself understood. 19 20 AR 1271. 21 Although Dr. Wheeler did not report a complete "inability to communicate" with 22 Plaintiff, her 2015 and 2022 evaluations in particular detail Plaintiff's struggles to communicate 23 and the effect these limitations would have in the workplace. Therefore, the ALJ's finding that

both doctors failed to support the opined communication limitations is not backed by substantial evidence.

The ALJ also notes, presumably in reference to the opined communication limitations, that Plaintiff "regularly interacts with family." AR 774. The ALJ provides no citation to the record for this assertion. *See id.* Even assuming the ALJ was referring to the note from Dr. Wheeler's 2016 evaluation that Plaintiff "[s]pends about two hours daily talking with his parents," on whose property he was living at the time (AR 448), the ALJ provides no explanation of how Plaintiff's ability to interact with his own parents refutes Dr. Wheeler's conclusion that he would struggle to communicate effectively in a work setting. Because of this lack of reasoning and specific reference to the record, the Court cannot determine whether Plaintiff's ability to interact with his family is consistent with the opined limitations. *See Blakes v. Barnhart*, 331 F.3d 565, 569 (7th Cir. 2003) ("We require the ALJ to build an accurate and logical bridge from the evidence to [his] conclusions so that we may afford the claimant meaningful review of the SSA's ultimate findings.").

Further, the ALJ wrote that the doctors' opinions were "not supported by their own findings on exam," citing the mental status exam from Dr. Wheeler's 2016 evaluation as an example. AR 774. In that exam, Dr. Wheeler found Plaintiff's thought process and content were within normal limits, adding the note: "Organized and goal-directed. Content rather vacant." AR 451. She found Plaintiff's orientation, perception, memory, fund of knowledge, and abstract thought were within normal limits. *Id.* Though also within normal limits, she noted his insight was "fair" and his judgment was "fine by test, impoverished with regard to self-care, self-assertion." *Id.* The ALJ acknowledges that some of these findings are "consistent with severe mental impairments" but states they "do not suggest disabling conditions." AR 774. The ALJ

again does not explain how these particular findings, though largely normal, conflict with Dr. Wheeler's opinion that Plaintiff had marked limitations in his ability to communicate and perform effectively in a work setting or set realistic goals and plan independently.

The ALJ also found Dr. Wheeler's opinion "internally inconsistent because she noted that the claimant's 'mental health will be best served by working." AR 774. This note appeared in Dr. Wheeler's 2016 evaluation. AR 450. Again, the ALJ does not explain the relationship between this comment and the opinion that Plaintiff was limited in certain areas. It is conceivable that an individual's mental health could be best served by working but other limitations would prevent them from doing so. Also, nowhere in Dr. Wheeler's 2016 evaluation did she offer the conclusion that Plaintiff was permanently incapable of working. Indeed, she recommended therapy and vocational training or services to address some of Plaintiff's limitations and opined that he might only be impaired for six months with appropriate treatment. AR 450.

Addressing the consistency factor, the ALJ found that the opinions from Drs. Wheeler and Weiss were not consistent with the overall evidence in the record. AR 774. He wrote that Plaintiff's records from his treating providers showed that he was able to "communicate effectively, seek/ask for care for his conditions, and answer questions." *Id.* In support of this finding, the ALJ cited generally to three exhibits consisting of 312 pages and about three and a half years' worth of medical records. *See id.*, citing AR 1203–36, 1297–1577. Similarly, the ALJ stated that the doctors' opinions were inconsistent with the overall record showing routine, conservative treatment, intact cognition, and ability to engage in a range of activities, with no evidence he has required specialized inpatient or intensive outpatient psychiatric care. AR 774–75. The only citation in support of these statements covers 240 pages of medical records. *See* AR 774, citing AR 1297–1537. These broad references to the record are not specific enough to allow

the Court to build a logical bridge from the evidence to the ALJ's conclusions. See Blakes, 331 F.3d at 569. Therefore, the Court cannot determine whether substantial evidence in the record 2 3 supports these findings. 4 b. Myrna Palasi, M.D. 5 Plaintiff next contends the ALJ erred in assessing the medical opinion of reviewing 6 physician Dr. Myrna Palasi. Dkt. 12 at 17. 7 On June 14, 2018, Dr. Palasi reviewed Dr. Wheeler's 2015 evaluation, Dr. Weiss' 2018 evaluation, and a May 2018 evaluation from Valley View Health Center.<sup>3</sup> AR 452. Based on 8 9 these documents, she opined Plaintiff had severe limitations in his ability to perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances and 10 11 to complete a normal workday and work week without interruptions from psychologically based 12 symptoms. AR 453. She also found marked limitations in his ability to communicate and 13 perform effectively in a work setting, maintain appropriate behavior in a work setting, and set 14 realistic goals and plan independently. *Id*. 15 The ALJ stated only that Dr. Palasi's opinion was not persuasive for the same reasons as Drs. Weiss and Wheeler's opinions and because she did not personally examine Plaintiff. AR 16 17 775. As described above, the Court cannot determine whether substantial evidence supports the 18 ALJ's findings regarding Drs. Weiss and Wheeler's opinions. Consequently, the ALJ also failed 19 to provide sufficient support for his finding that Dr. Palasi's review opinion was not persuasive. 20 21 22 23 <sup>3</sup> As Defendant notes, although Dr. Palasi's report dates this record as "05/11/2018," it appears to refer to the DSHS evaluation that took place at Valley View Health Center on May 17, 2018. See AR 452, 566-71; Dkt. 15

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at 14 n.4.

#### c. Harmless Error

Had the ALJ properly considered the opinions of Drs. Wheeler, Weiss, and Palasi, he may have included additional limitations in the RFC. For example, all three doctors found marked limitations in Plaintiff's ability to communicate and perform effectively in a work setting and to set realistic goals and plan independently. AR 449, 453, 460, 477–78, 1201, 1270. They also found marked to severe limitations in Plaintiff's ability to perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances without special supervision. AR 453, 477, 1200, 1270. These opined limitations are not fully reflected in the RFC. *See* AR 764. The ultimate disability determination may have changed if the ALJ properly considered the limitations opined to by Drs. Wheeler, Weiss, and Palasi while formulating the RFC and throughout the remaining steps of the sequential evaluation process. Accordingly, the ALJ's error is not harmless and requires reversal.<sup>4</sup>

## B. Subjective Symptom Testimony

Plaintiff also argues the ALJ did not provide sufficient reasons for discounting his testimony about the severity of his symptoms. Dkt. 12 at 18–19. The Court concludes the ALJ committed harmful error in assessing the medical opinion evidence and must re-evaluate all the medical evidence on remand. Because Plaintiff may be able to present new evidence and new testimony on remand and because the ALJ's reconsideration of the medical evidence may impact the assessment of Plaintiff's subjective testimony, the ALJ must also reconsider Plaintiff's testimony on remand.

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<sup>&</sup>lt;sup>4</sup> Plaintiff also challenges the ALJ's evaluation of medical opinion evidence from Jason Mills, Plaintiff's mental health counselor. Dkt. 12 at 1. Because the Court finds reversible error in the ALJ's evaluation of the other challenged medical opinion evidence and all medical opinion evidence must be re-evaluated on remand, it is not necessary to address the ALJ's evaluation of Mr. Mills' opinion.

C. Remedy

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Plaintiff contends an immediate award of benefits is warranted because the record is complete, no outstanding questions remain, and the medical opinion and testimonial evidence should be credited as true to establish disability. Dkt. 12 at 20.

The Court may remand a case "either for additional evidence and findings or to award benefits." *Smolen v. Chater*, 80 F.3d 1273, 1292 (9th Cir. 1996). Generally, when the Court reverses an ALJ's decision, "the proper course, except in rare circumstances, is to remand to the agency for additional investigation or explanation." *Benecke v. Barnhart*, 379 F.3d 587, 595 (9th Cir. 2004) (quoting *INS v. Ventura*, 537 U.S. 12, 16 (2002)). However, the Ninth Circuit created a "test for determining when evidence should be credited and an immediate award of benefits directed[.]" *Harman v. Apfel*, 211 F.3d 1172, 1178 (9th Cir. 2000). Specifically, benefits should be awarded where:

(1) the ALJ has failed to provide legally sufficient reasons for rejecting [the claimant's] evidence, (2) there are no outstanding issues that must be resolved before a determination of disability can be made, and (3) it is clear from the record that the ALJ would be required to find the claimant disabled were such evidence credited.

Smolen, 80 F.3d at 1292.

The Court has determined the ALJ must re-evaluate the medical opinion evidence and Plaintiff's subjective symptom testimony. Further, based on the errors identified above, issues remain that must be resolved concerning Plaintiff's functional capabilities and his ability to perform other jobs existing in significant numbers in the national economy. Therefore, remand for further administrative proceedings is appropriate.

# IV. Conclusion Based on the foregoing reasons, the Court hereby finds that the ALJ improperly concluded Plaintiff was not disabled beginning January 31, 2015. Accordingly, Defendant's decision to deny benefits is reversed and this matter is remanded for further administrative proceedings in accordance with the findings contained herein. Dated this 8th day of February, 2024. David W. Christel United States Magistrate Judge